

## **USAID-COMPETE PARTNER FUNDING SUPPORT TO EAGC**

### **3rd Quarter Report 2009 (July-September 2009)**

This report from Eastern Africa Grain Council (EAGC) Secretariat is for the 3<sup>rd</sup> quarter 2009 covering USAID COMPETE support to EAGC for 7 months period. The report covers the activities achieved and the expenditure report.

## **1.0 COMPONENT 1: INSTITUTIONAL STRENGTHENING**

### **1. ADMINISTRATION AND OPERATIONS:**

#### **1.1 Quarterly Activity and Financial reports**

The Secretariat produced the 2<sup>nd</sup> quarter activity report and the 3<sup>rd</sup> work plan that were submitted to the Board of Directors on 31<sup>st</sup> July 2009 for review. To show the status of the program activities, the board was presented with the mid-annual report (Jan-June 2009) during the meeting on 16<sup>th</sup> September 2009.

#### **1.2 Recruitment of more staff**

The Secretariat could not progress on this recruitment of staff until the 4<sup>th</sup> quarter. The positions are under review based on increased workload. However, Finance and Admin Officer was recruited in EAGC Uganda office. The Tanzania country manager reported in August 2009 after he was recruited in end of June 2009.

#### **1.3 Board Meetings**

Two board meeting were in the 3<sup>rd</sup> quarter-one held on 30<sup>th</sup> and 31<sup>st</sup> July 2009 and it considered several issues among which included:

1. Tax Exemption
2. Last EAGC Annual General Meeting
3. Proposed amendments to the by-laws
4. Governance Issues
  - a. Co-option of Board Members
  - b. Review of Board Committee meetings to
5. Management Report, progress against the work plan
6. Finance & Administration Report
7. Program updates against the work plan
8. Approval of Human Resource, Finance & Administration Policies

The other meeting was held on 16<sup>th</sup> September 2009. The agenda of the meeting being:

- 1) Report and Updates
  - a. Operations
    - i. Proposed Structure
  - b. Mid Year Report, June 2009
  - c. Activity Status Report as at August 2009
    - i. Baseline Studies and M&E
    - ii. 7<sup>th</sup> Maize Business Fair Report
    - iii. 3<sup>rd</sup> African Grain Trade Summit Committee Update
    - iv. MIS Committee Update
      1. MIS Harmonization and Coordination Workshop
      2. COMESA /EAGC/COMPETE Collaboration
    - v. WRS Committee Update
      1. WRS Pilot with FSD

2. WRS NCPB Warehouse Receipting/Commodity Exchange initiative
- 2) Finance and Administration Manual (policy & procedures)
- 3) Pay Grade Structure - (Adept Systems)
- 4) Update on SIDA discussions
- 5) Update on COMPETE discussions

#### 1.4 EAGC offices in Uganda and Tanzania

Part of the EAGC annual work plan is to have running offices in Uganda and Tanzania. The Uganda office has been secured with the support of USAID/COMPETE. The office space has five (5) offices. USAID/COMPETE and Allied Cereal Growers Association (ACGA) will share the space with EAGC Uganda. EAGC Tanzania is still looking for an office.

#### 1.5 EAGC Secretariat to move office

As EAGC plans to recruit more staff, more office space is required. In this regard, EAGC has acquired a new office and will move its secretariat from Hevea Park to Maple Court in Westlands area. This move will be carried out in November 2009 after the completion of office partitioning.

### 2. EAGC MEMBERSHIP:

#### 2.1 Membership Development

During the 3<sup>rd</sup> Quarter 2009, EAGC recruited new corporate members to the Council. The total members as at September 30<sup>th</sup> 2009 stood at 64. Below are the new EAGC members.

- i) Rural Urban Development Initiative (RUDI)- Tanzania
- ii) Chemiphar Ltd- Uganda
- iii) Smart Logistics Solutions Ltd- Kenya
- iv) United Millers Ltd – Kenya
- v) GrainPro, Inc.-Kenya

Still, EAGC has attracted 29 farmer groups in Kenya joining as *Recorded Affiliates*. Membership recruitment drives is underway in Uganda and Tanzania to recruit more FBOs.

Table 1: List of EAGC registered Farmer Groups

| FARMER GROUP                 | NUMBER OF MEMBERS | COMMODITIES                | REGION     |
|------------------------------|-------------------|----------------------------|------------|
| ST JAMES A.C.K               | 23                | Maize                      | ELDOROT    |
| CHEMASO                      | 26                | Maize/beans                | BOMET      |
| KAPNGETUNY CHEBARUS S.H.G    | 21                | Maize/beans/wheat          | KIPLOMBE   |
| SHINDIKISHO                  | 17                | Maize/beans/millet         | TURBO      |
| CHEBARAR FARMERS ASSOCIATION | 24                | Maize/beans                | TRANSMARA  |
| KIBISI                       | 48                | Maize/beans/millet/sorghum | WEBUYE     |
| NGONA ENGO                   | 18                | Maize/beans                | WEBUYE     |
| NAET FIFTEEN                 | 30                | Maize/beans                | ELDOROT    |
| TESUN INVEST GROUP           | 21                | Maize/beans/millet         | NGORO      |
| KAMNO FCS                    | 400               | Maize/beans/sorghum/millet | KAPSABET   |
| KANDUI HIGH TECH             | 30                | Maize/beans/sorghum/millet | BUNGOMA    |
| KABECI                       | 20                | Maize/beans/millet         | KAPENGURIA |
| TOWNSHIP S.H.G               | 30                | Maize/beans                | NYAMIRA    |

|                               |      |                            |          |
|-------------------------------|------|----------------------------|----------|
| JIRANI WOMEN GROUP            | 12   | Maize/beans/sorghum/millet | SOI      |
| WISOP                         | 50   | Maize/beans                | CHEPTAIS |
| LOLKERIGET                    | 58   | Maize/beans                | KABIYET  |
| MANGO YOUTH GROUP             | 47   | Maize/beans/sorghum/millet | KITALE   |
| KOSIRAI TAITA                 | 25   | Maize                      | CHEPSIRO |
| NYAFA                         | 120  | Maize/beans                | NYAMIRA  |
| BIIKOFA                       | 80   | Maize                      | NYAMIRA  |
| KESES FARMERS<br>FEDERATION   | 3900 | Maize                      | ELDORET  |
| KERGEI MOEK S.H.G             | 15   | Maize/sorghum/millet       | ELDORET  |
| CAANAN                        | 42   | Maize/beans                | SOTIK    |
| KISIGAME UPENDO<br>INITIATIVE | 45   | Maize/beans/sorghum/millet | MATUNDA  |
| KOIMOI INVESTMENT             | 25   | Maize                      | LITEIN   |
| JORDAN FFS                    | 20   | Maize                      | BOMET    |
| MWAITA S.H.G                  | 30   | Maize/wheat                | MOIBEN   |
| CHEBUNYO FCS                  | 83   | Maize/beans/sorghum/millet | BOMET    |
| KOLONGEI SAROYOT              | 24   | Maize/beans                | ELDORET  |

### 3. Stakeholder Representation

The Secretariat represented the stakeholders in various meetings that were deliberating on grain trade matters.

(i) **COMESA –USAID COMPETE Planning meeting in Lusaka**

EAGC participated in the COMESA-USAID/COMPETE Planning meeting held in Lusaka Zambia on 18<sup>th</sup>-19<sup>th</sup> August 2009. Mr. Ben Moshi, Fostina Mani and Harriet Odembai from EAGC attended.

(ii) **The 8<sup>th</sup> AGOA Forum in Nairobi**

The Executive Director Ms Kandie represented EAGC at the 8th US-Sub-Saharan Economic forum (AGOA) at the Kenyatta International Conference Center in Nairobi on August 6, 2009. The theme for the 8th AGOA Forum was *"Realizing the Full Potential of AGOA through Expansion of Trade and Investment"*. Ms Kandie made a presentation under Private Sector session.

(iii) **Workshop on High Commodity & Factor Prices in Kenya-8<sup>th</sup> July 2009**

The Heinrich Böll Stiftung (HBS)<sup>i</sup> organized a half-day roundtable workshop with experts and the media to disseminate the findings of the above study, get an update on the state of play in the sector as well as the food security situation in the country. The event drew participants from a select group of government, private sector, and the donor community involved in the entire maize value chain, as well as the media. EAGC was represented by the Executive director Ms Kandie.

(iv) **Field Trip and Round-Table Discussion on Grain Marketing and Trade in Eastern Africa-Aug 7,2009**

The event was organized for the visit by Franklin Moore; Deputy Assistant Administrator for Africa, USAID/Washington and it was hosted by EAGC. The field trip to Maimahiu and Limuru, and the round table discussion at Kentimere Club brought together selected people active in various stages of the staple foods value chains, to discuss key issues relevant to this agenda.

## 2.0 COMPONENT 2: MARKET INFORMATION SYSTEMS (MIS)

The overall objective of Market Information System (MIS) is to establish and strengthen agricultural information generation, dissemination and coordination mechanisms at national and regional levels. Market information is provided through Regional Agricultural Trade Intelligence Network (RATIN) which currently covering four (4) countries including Kenya, Tanzania, Uganda and Rwanda.

### 2.1 Use of RATIN SMS facility

RATIN SMS is a low-cost, highly implementable cell phone based platform that seeks to redress lack of market information. To receive an SMS you pay far less compared to making a phone call or web access. The benefits of SMS also center on convenience and flexibility since the SMS facility connects farmers, traders and processors to the market. EAGC has approached Air Networks Ltd to set up a system of delivery of notifications and alerts to subscribers once they register to receive alerts on market prices. Currently, the most users of RATIN SMS are farmers who cannot access the prices through the web. Table.2 shows the SMS hits since January 2009.

Table.2 A listing of SMS hits (January-September 2009)

| <b>Service Name &amp; ID</b> | <b>Keyword</b> | <b>Short Code</b>         | <b>Traffic</b>    |
|------------------------------|----------------|---------------------------|-------------------|
| <b>KE Maize</b>              | MAIZE          | 6023 (Safaricom & Zain)   | <b>Total: 2</b>   |
| <b>KE Beans</b>              | BEANS          | 6023 (Safaricom & Zain)   | <b>Total: 1</b>   |
| <b>UG Maize</b>              | UGMAIZE        | 7197 (Uganda Only)        | <b>Total: 17</b>  |
| <b>KE Sorghum Prices</b>     | SORGHUM        | 8000 (Safaricom & Celtel) | <b>Total: 4</b>   |
| <b>KE Millet Prices</b>      | MILLET         | 8000 (Safaricom & Celtel) | <b>Total: 2</b>   |
| <b>KE Rice</b>               | RICE           | 8000 (Safaricom & Celtel) | <b>Total: 27</b>  |
| <b>KE Beans</b>              | BEANS          | 8000 (Safaricom & Celtel) | <b>Total: 81</b>  |
| <b>KE Maize</b>              | MAIZE          | 8000 (Safaricom & Celtel) | <b>Total: 779</b> |

### 2.2 Regional MIS Workshop in Nairobi, Kenya

EAGC in partnership with IFDC held a MIS workshop on the 9<sup>th</sup> and 10<sup>th</sup> September 2009 at the Hotel Intercontinental in Nairobi, Kenya. The workshop was held as a follow up to the recommendations made in the MIS workshop in April 2009 in Kampala, Uganda. The recommendations were:

- i. The need to develop a mechanism of gathering, coordinating and sharing market information within the countries in the region;
- ii. The need to develop a common format of harnessing and disseminating market information;
- iii. Strong collaboration of MIS providers (including the EAGC) within regional countries on information sharing;
- iv. The need to institute a task force to drive the initiative of regional consultation to the next level of development;
- v. Expanding the network of MIS providers within the region;

- vi. Need to design the RATIN website to cater for more than English, taking into account the French speaking partner members.

The workshop attracted participants from eight countries in Eastern and Central Africa. The convergence was a milestone in the formation of a regional MIS committee with five (5) sub-committees to co ordinate issues as follows:

- ☞ Regional Coordination
- ☞ Food Security
- ☞ Trade Expansion
- ☞ ICT/Outreach/Training
- ☞ Lobbying/Advocacy

### 2.3 Maintain RATIN for regional Grain Intelligence

EAGC has maintained the RATIN and EAGC sites as a source of market information. Price and data monitors were involved in collection of commodity prices and informal cross- border volumes for update of RATIN databases. Both EAGC and RATIN websites have been active with daily update of regional commodity prices for selected markets and import parity prices.

RATIN maintained a close link with other MIS providers for instance FEWSNET and Ministries of Agriculture in Kenya, Tanzania and Rwanda that enabled generation of monthly RATIN bulletins which were disseminated through e-mails. The RATIN website was kept updated with daily market prices on maize, beans, and rice for the key terminal markets. Additional markets in Tanzania viz; Iringa, Songea, Arusha and Mbeya are now being monitored.

### EAGC WEB STATISTICS (Jan-Sep 2009)

Table 3: *eagc.org*-Page views and visitors (Jan-Sep 09)

| Start    | End       | Page Views | Visitors | Average |
|----------|-----------|------------|----------|---------|
| 1-Jan-09 | 30 Sep 09 | 11,865     | 1,652    | 7.2 ppv |

Fig.1 *eagc.org*-monthly page views (Jan-Sep 09)

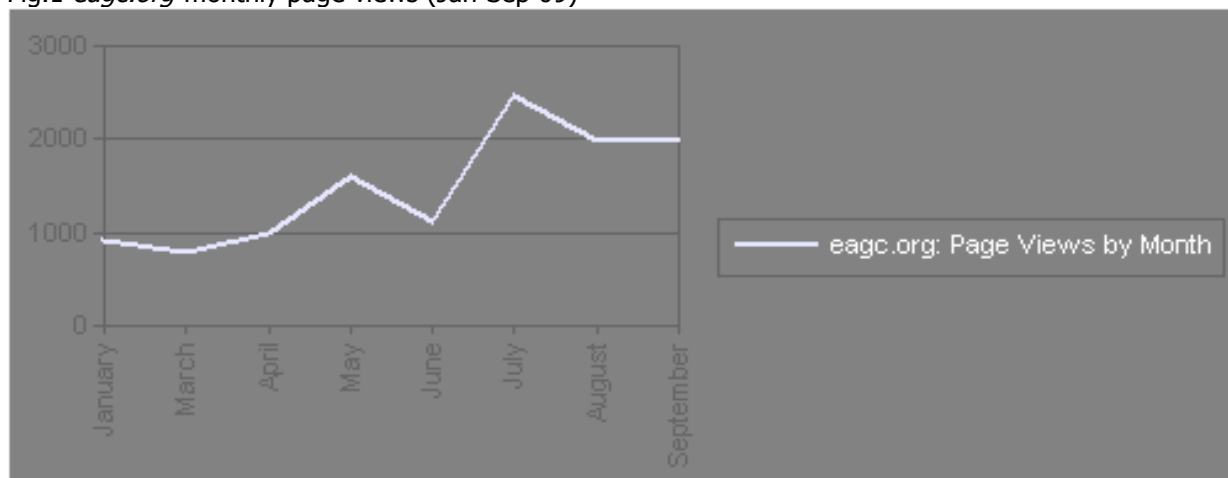


Table.4 *eagc.org*- country page views (Jan-Sep 09)

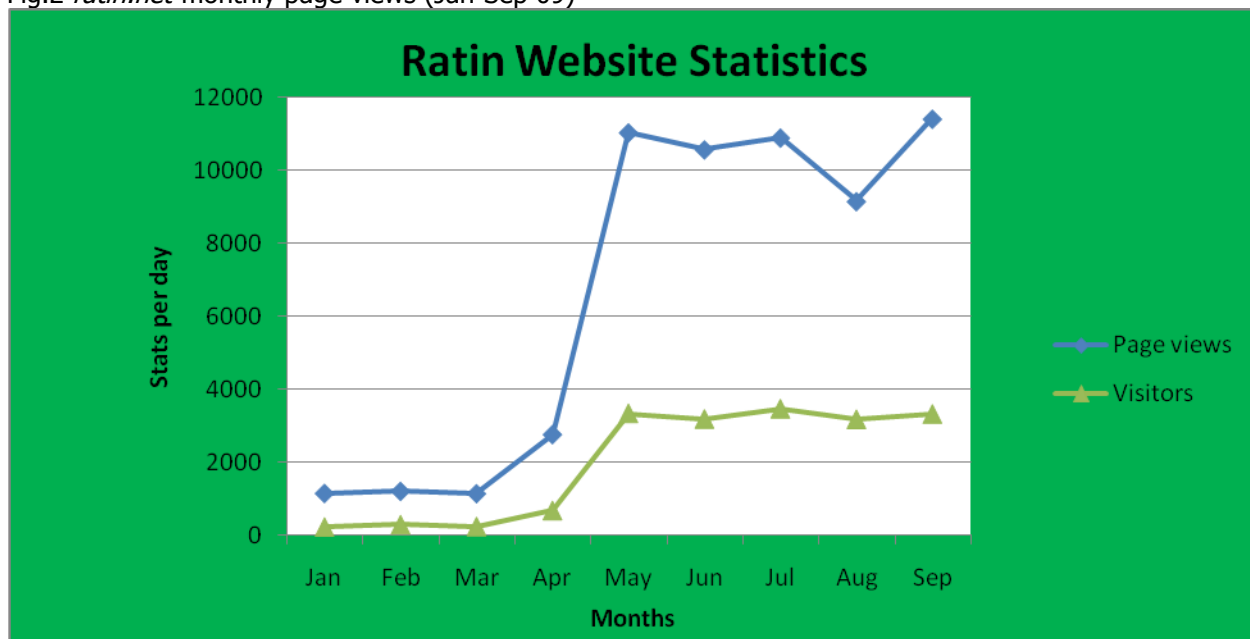
| Country        | Views | Country   | Views | Country     | Views | Country      | Views |
|----------------|-------|-----------|-------|-------------|-------|--------------|-------|
|                |       |           |       |             |       |              |       |
| Kenya          | 121   | Malawi    | 3     | Italy       | 3     | Sweden       | 2     |
| United States  | 43    | Ghana     | 3     | Sudan       | 3     | Norway       | 2     |
| Uganda         | 16    | Singapore | 2     | Rwanda      | 4     | Burkina Faso | 2     |
| United Kingdom | 13    | Zambia    | 2     | China       | 4     | Nigeria      | 2     |
| Tanzania       | 11    | Australia | 2     | Senegal     | 4     | Philippines  | 2     |
| Cote d'Ivoire  | 7     | Japan     | 2     | Netherlands | 4     | India        | 2     |
| South Africa   | 5     | France    | 2     | Europe      | 4     | Pakistan     | 2     |
| Switzerland    | 4     |           |       |             |       |              |       |
| Germany        | 4     |           |       |             |       |              |       |

## RATIN WEB STATISTICS (Jan-Sep 2009)

Table.5 *ratin.net* -monthly page views (Jan-Sep 09)

| Months    | Page views | Visitors |
|-----------|------------|----------|
| January   | 1160       | 238      |
| February  | 1216       | 304      |
| March     | 1152       | 252      |
| April     | 2772       | 693      |
| May       | 11039      | 3355     |
| June      | 10572      | 3200     |
| July      | 10897      | 3481     |
| August    | 9155       | 3193     |
| September | 11412      | 3337     |

Fig.2 *ratin.net*-monthly page views (Jan-Sep 09)



## 2.4 Production and circulation of monthly RATIN Bulletins

The monthly RATIN bulletin continued to be generated and disseminated in electronic copies to 1611 subscribers and EAGC members. The bulletins were also available to the public on the website. These bulletins have been a source of market information to stakeholders especially those with internet connectivity.

## 2.5 Cross Border Trade Issues

EAGC's main goal is to facilitate regional trade and reduce constraints to trade. The border monitors, who are paid by the Council, continued to bring important cross border issues to the Council. They reported that in September 09, 2228MT and 3356 MT of maize and beans respectively crossed from Uganda to Kenya, 1471 MT of maize crossed from Tanzania to Kenya while 1433 MT of maize moved into Rwanda from Rwanda. EAGC is planning to increase coverage by monitoring Uganda/Sudan, Tanzania/Malawi, and Uganda/DRC borders.

## 2.6 Regional Commercial Linkage

Small grain traders and large enterprises, such as processors, government institutions and food aid agencies requires the trade linkage in order to enhance competitiveness between the large traders and trade associations comprising of small traders. Through trade linkage, small traders increase trade through access to markets. On the other hand, there is traceability of commodities as well as transparency of transactions since prices and volumes of the traded commodities are posted on the trading platform.

EAGC *trade link*- an electronic grain trading platform where **offers** to sell and **bids** to buy are posted has been mainly utilized by farmers. In the 3<sup>rd</sup> quarter, three farmer groups from South Rift region in Kenya posted 13500 bags of maize. The table below shows the maize offers posted in the 3<sup>rd</sup> quarter (July-Sept 2009).

| Ref No.    | Commodity | Volume | Unit     | Offer Amount | Bid Amount | Origin                 | Warehouse       | Posted on | Trader                  |
|------------|-----------|--------|----------|--------------|------------|------------------------|-----------------|-----------|-------------------------|
| MA-17/2009 | Maize     | 1000   | 90KG Bag | KES 2,400    |            | Kenya - Kilgoris       | N/A             | 15 Sep 09 | Ngendalel Farmers Group |
| MA-16/2009 | Maize     | 2500   | 90KG Bag | KES 2,300    |            | Kenya - Kilgoris       | N/A             | 30 Sep 09 | Koptigai Widows Group   |
| MA-13/2009 | Maize     | 10000  | 90KG Bag | KES 2,350    |            | Kenya - Not Applicable | Kilgoris        | 21 Aug 09 | Olchebesi S.H.G         |
| MA-12/2009 | Maize     | 20000  | 90KG Bag | KES 2,150    |            | Kenya - Mombasa        | MIRITINI GODOWN | 11 Aug 09 | Brema Enterprises       |

### **3.0 COMPONENT 3: PROMOTION OF STRUCTURED TRADING SYSTEM.**

One of EAGC's objectives is to promote a more structured grain trading system where participants in the grain trade will have a more open and orderly market where producers are well organized, rules of trade are recognized, the use of contracts are enforced, and arbitration is used to settle simple disputes. EAGC services can provide the essential components (mainly rules of trade, contracts, warehouse certification, and arbitration) to assist members to develop all levels of the value chain to establish viable and sustainable trade systems including warehouse receipt systems that provide access to finance to the participants, therefore increasing the trading options to the participants within a more structured grain-trading environment.

#### **3.1 Warehouse Receipt System (WRS) in Kenya**

In the 3<sup>rd</sup> quarter 2009, EAGC focused on certification of warehouses in preparation for the upcoming maize harvesting season. This is after WRS activities were put on hold until June 2009 when it would be clear whether a good harvest was expected and also the government's position on the market prices. The WRS committee met on 27<sup>th</sup> August 2009 and 8<sup>th</sup> September 2009 to discuss the viability of resuming the warehouse receipt program for the upcoming season after the problems with the government interference in the market in the 2008/2009 season that caused the program to be put on hold.

EAGC identified key areas where WRS can be established based on the expected production of maize. Insufficient rainfall during the initial stage of the main cropping season (March-April) is likely to have hindered crop growth, increasing the probability of yet another poor harvest. However, production estimates are favorable in western maize growing regions bordering Lake Victoria, which received near normal rainfall from March to June. Also parts of Transzoia (Kitale) and Nandi North (Mosop, Aldai and Lessos) areas are expected to get a good crop this year.

NCPB and Export trading Company are ready to participate in WRS this year. In this regard, they availed their stores for certification. The process of certification is currently ongoing and two credible inspectors-SGS and Bureau Veritas have been commissioned to undertake the inspections.

NCPB availed thirteen (12) sites for certification but our main focus this year is Eldoret, Kitale and Moi's' bridge sites. A collateral manager will be engaged to manage the NCPB stores used for WRS. Several meetings have been held with NCPB management team in the quarter. The upcoming meetings are: AON MINET meeting with NCPB -Finance Department and Equity-Insurance teams to carry out a risk assessment and determine required insurance cover for each site – This meeting will be held on Tuesday October 13<sup>th</sup> at 10am, NCPB offices. NCPB, Equity Bank and SGS will meet on Wednesday 14<sup>th</sup> October to discuss the Collateral management requirements.

Export Trading Company has as well availed 2 warehouses in Eldoret and 1 warehouse in Kitale, all with a capacity of 7000MT. The inspection reports for the two (2) sites have been released. The certification of the stores will be finalized on the status of the warehouses is deemed suitable for WRS.

Training of farmers on WRS will be rolled out at the start of the 4<sup>th</sup> quarter 2009. Farmers will be sensitized and then mobilized to participate in WRS. For the trainings to be successful, EAGC is identifying a learning institution to develop different comprehensive training manuals. EAGC has approached a firm to develop and print posters that will be distributed to farmers as part of creating awareness. Brochures have been on distribution in all EAGC events. We also approached our media consultant on designing products and services to educate WRS on radio programs.



### **3.2 Workshop on Improving the functioning of Commodity markets in Eastern and Southern Africa(ESA)**

On 30<sup>th</sup> September to 2<sup>nd</sup> October 2009, practitioners of WRS and COMEX, including especially the national partners of EAGC, policymakers in the ESA region, and donor representatives and development partners (UNCTAD, COMESA, USAID, USAID/COMPETE, WFP, AFD and FAO) participated in a successful WRS workshop organized by EAGC in conjunction with UNCTAD and COMESA with the support of USAID COMPETE and the European Union. The workshop entitled "*Improving the functioning of commodity markets in Eastern and Southern Africa through Warehouse Receipt System (WRS) and market based interventions*" brought together 148 participants. The workshop was expected to build capacity of key stakeholders in advancing WRS and commodity exchanges in close collaboration with regional organizations. It provided a forum where evidence-based lessons and experiences were shared. Its main objective was to strengthen the capacity of private and public stakeholders to develop a viable WRS and commodity exchanges as well as other related market institutions which will improve the functioning of agricultural markets in eastern and southern Africa.

After deliberating on the functioning of commodity markets in the ESA region, and considering a review of experience in promoting Warehouse Receipts Systems (WRS) and Commodity Exchanges (CE) as well as agricultural sector development programmes in the region, the participants noted that:

- Governments in the region, with support from various development partners, including USAID, the EC, the World Bank, FAO, AGRA and others, are actively engaged in agricultural development programmes within the framework of, and which can significantly contribute to achievement of, the goals of CAADP;
- Output market inefficiencies, which squeeze producer margins and increase consumer prices, constrain sustained growth in agricultural productivity and output, thereby limiting capacity to enhance food security, particularly, in the light of recent global food crisis which make continued dependence on food imports unsustainable;
- These two market-supporting institutions (WRS and CEs), though by no means a panacea for all the weaknesses in the agricultural sectors in the region, have the potential to improve the functioning of agricultural markets by improving price formation, market transparency, and regional trade, thereby raising farm output and rural incomes as well as enhancing food security;
- Significant progress has been made in piloting WRS in some countries, including in particular Tanzania (for export commodities such as coffee, cotton and cashew and which is gradually being expanded to include food crops such as maize and rice) and in Madagascar (an inventory credit system for rice linked to micro-finance institutions), while nascent commodity exchanges are being developed in Ethiopia, Uganda, Zambia and Malawi;
- However, the overall development of these market-supporting institutions has been hampered by institutional weaknesses, capacity constraints, inadequate physical infrastructure, uncertainty in the legal and regulatory framework which has, in particular, made it difficult to engender confidence in the systems by financial institutions, and

- disabling policies, which are often not consonant with free trade agreements adopted by governments in the region;
- With concerted efforts by private sector practitioners, governments and the development partners, these constraints can be addressed, thereby significantly improving prospects for successful development of these systems.

### **3.3 Moving towards Establishing a Commodity Exchange in Kenya**

EAGC and NCPB are gearing towards establishment of a Commodity Exchange as a major initiative in Kenya. Both partners will be borrowing ideas from Ethiopia Commodity Exchange (ECX) and South Africa Futures Exchange (SAFEX). This saw a Kenya delegation representing EAGC, NCPB, GOK and consultants visit the Ethiopian Grain Trade Enterprise (EGTE) and Ethiopia Commodity Exchange (ECX) on 27<sup>th</sup> July 2009 and SAFEX on 27<sup>th</sup> September 2009.

### **3.4 8th Annual Maize Business Fair 2009**

The principles of the Maize Business Fair emphasize participation, collaboration, networking, partnership and innovation-all for common purpose of establishing and strengthening linkages amongst players in the maize and dairy value chains.

The 2009's fair held at Chepkoilel Campus –Eldoret ,was organized by the USAID's funded Kenya Maize Development Program (KMDP), Eastern Africa Grain Council (EAGC), Cereal Growers Association (CGA) and Moi University.

The theme of the fair was "Opportunities for Recovery and Growth" which represented the partners' and sponsors' goals of seeking opportunities in the market environment.

The business fair attracted about 20,000 farmers and 70 exhibitors. The fair gave EAGC an opportunity to interact with grain stakeholders especially the farmers.

### **3.5 Baseline surveys in Kenya and Uganda finalized**

To make a credible judgment about the progress and impact of the EAGC program activities, a baseline study on the selected indicators against which to measure results at different points in the life of the program has been finalized in Kenya and Uganda but still underway in Tanzania. The surveys were undertaken by East Africa Development Consultants (EADEC) were meant to establish the status of different project indicators at the start of the project and to establish the niche for EAGC's programme implementation. The assignment covered the entire grains sub-sector focusing on maize, wheat, rice, millet, sorghum and pulses. The findings of the country surveys focused on different key issues such as production, storage, processing, trading and marketing, standards and policies, institutional development, facilitation and effects of HIV/AIDS in the grains sub-sector.

### **3.6 Promote adoption and use of STS tools through "EAGC Trade Link".**

Establishment of "EAGC trade link", an electronic platform- linking farmer groups to traders as well as relief agencies willing to purchase directly from farmers. A workshop was held in Eldoret on 27<sup>th</sup> July 2009 as a follow up to a successful workshop held in Nakuru on 25<sup>th</sup> June 2009.

On 29<sup>th</sup>-31<sup>st</sup> July 2009, farmers in the South Rift region were sensitized and mobilized to use the EAGC trade link service. The meetings held were organized jointly by EAGC, KMDP and NCPB. Since the launching of EAGC Trade Link in Nakuru on 25<sup>th</sup> June 2009, 33500 bags (90kg) have been posted as offers. It's expected that more offers and bids will be posted soon once the harvesting commences in October through January.

This service will promote the adoption and use of STS tools. For instance prior to posting of offers, the offerors and bidders are required to adhere to the EAC maize standards in order to

know the grades. They can optionally use EAGC sale contracts which if breached; our arbitration mechanism will be in use. Farmers get organized and consolidate volumes of their produce in a known warehouse, and then they post an offer to sell. A warehouse receipt can also be traded in the EAGC trade link.

#### **4.0 SUMMARY OF THE BENCHMARKS, RESULTS , TARGETS AND LEVEL OF ACHIEVEMENTS FOR AUGUST 2009**

| Activity/Tasks   | Results  | Benchmarks/Targets   | Level of Achievement % |
|--|--|--|------------------------|
| <b>Institutional Strengthening</b>   |  |  |                        |
| <b>Administration &amp; Operations</b>   |  |  |                        |
| Produce monthly management report  | Monthly reports produced   | Report produced by 10 <sup>th</sup> of the following month                                       | 0                      |
| Produce quarterly activity and financial reports   | Quarterly report produced  | By 10th day of the next month after the quarter  | 90%                    |
| Issue new contracts to Border and Price Monitors and pay them under EAGC                             | New contracts for border and price monitors issued and paid                                    | Contracts issued to border monitors for 2 <sup>nd</sup> qtr June – Sept.09 and paid              | 100                    |
| Advertise and recruit Program and Admin staff  | Program and Admin staff recruitment held up until Oct.09                                       | Program and Admin staff recruited by September 2009  | 0                      |
| Approval and adoption of EAGC Finance and Admin policies   | Finance and Admin policies to be reviewed by the board in the next meeting                     | Finance and Admin policies approved by the board by 30 <sup>th</sup> September 2009              | 100                    |
| <b>Corporate Issues</b>  |  |  |                        |
| Hold Board meetings  | Board meeting held on 30 <sup>th</sup> 31 <sup>st</sup> Aug 09 and 16 <sup>th</sup> Sept. 2009 | Board held every quarter   | 100                    |
| Finalize a study on Maize Value Chain focusing innovations to help small scale farmers               | EAGC partner with Meridian Institute on Maize Value Chain Analysis                             | A field trip and several meeting held by 20 <sup>th</sup> August 2009                            | 100                    |
| Review warehouse inspection quotations and appoint the successful company, and warehouses inspected. | Warehouse quotations from Bureau Veritas and SGS submitted by 30 <sup>th</sup> Sept.09         | Inspection companies reviewed and appointed and warehouses inspected by 30 <sup>th</sup> Sept.09 | 60                     |
| Certify new warehouses   | NCPB and Export Trading Company availed for certification                                      | Warehouses certified by 15 <sup>th</sup> October 09  | 40                     |
| Sign contracts with warehouses and the bank on warehouse receipt system                              | Financing contract with Equity bank signed and agreement with Warehouse Operator signed        | Financing contract and warehouse contracts signed by 1 <sup>st</sup> October 2009                | 0                      |
| Train farmer groups on WRS in maize growing areas.   | WRS farmer trainings to start in October 2009  | Farmers trained in preparation for WRS in 2009 season  | 0                      |
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|--|--|---|-----|
| Convene Board Committee meetings to review the progress of program components          | Board committees met and reviewed the progress of various components of the program                      | Respective board committees (MIS, STS, funding ,PPP/Policy) meet and review the progress of program activities by 30 <sup>th</sup> Aug.09 | 30  |
| Hold workshop farmer groups in Eldoret and its environs on EAGC Trade Link             | A workshop on EAGC Trade Link held in Eldoret on 28 <sup>th</sup> July09 where 64 participants attended. | Workshop in Eldoret on Trade Link held by 30 <sup>th</sup> august 2009  | 100 |
| <b>Membership Development</b>  |  |   |     |
| <b>Membership Recruitment</b>  |  |   |     |
| Increase membership through close linkage with stakeholders at regional trade meetings | 3 new members recruited in TZ,1 UG and 0 Kenya   | Recruit new members in Kenya (3), Uganda (3), Tanzania (2) during the meetings by 30 <sup>th</sup> March 2008                             | 40  |
| Launch EAGC in Uganda and Tanzania and gain stakeholder awareness                      | EAGC launched in Uganda on 31 <sup>st</sup> Jan 08. Tanzania to be launched in May 08                    | EAGC launch made in Uganda and Tanzania by 26 <sup>th</sup> February 2008   | 70  |
| Promote the council and retain old members   | Membership renewal notices sent and most remittances received  | Mail to old members and send membership renewals in time for AGM in April 2008  | 80  |
| Marketing EAGC and its Services  | Members kept updated through emails, Ratin bulletin and on website                                       | EAGC marketed via newsletters, Ratin bulletin and website   | 100 |
| Maintain and keep updated the RATIN website  | Ratin updated and prices regularly posted  | RATIN website maintained on daily and weekly basis  | 100 |
| Produce and circulate widely the monthly RATIN bulletin                                | Monthly Ratin bulletin produced and widely circulated  | RATIN bulletin produced monthly   | 100 |
| Produce quarterly EAGC Grain News  | Grain newsletter yet to be produced.   | EAGC Grain news produced by 15 <sup>th</sup> Oct. 2009  | 0   |